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A T T O R N E Y S

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June 29, 1998

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Washington, DC 20423

PAY TO THE ORDER OF

Dear Secretary Williams:

I have enclosed the original and one certified copy of the document described below, to be recorded pursuant to 49 U.S.C. § 11301.

The document is a Memorandum of Lease Agreement, a primary document, dated as of June 26, 1998. We request that this document be given the next available Recordation Number.

The names and addresses of the parties to the Memorandum of Lease Agreement are:

Lessor:

LaSalle National Leasing Corporation
502 Washington Avenue
Towson, MD 21204

Lessee:

Camus Prairie RailNet, Inc.
2350 Airport Freeway, Suite 230
Bedford, TX 76022

A description of the equipment covered by the Memorandum of Lease Agreement consists of two B-23-7 locomotives numbered CSP 3 and 4 (formerly numbered LRCX 4020 and 3971, respectively).

RECEIVED
SURFACE TRANSPORTATION
BOARD

JUN 29 2 45 PM '98

RECORDATION NO. 21485 FILED

JUN 29 '98

2-45 PM

BALL JANIK LLP

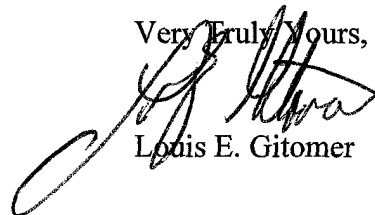
Honorable Vernon A. Williams
May 13, 1998
Page 2

A fee of \$ 26.00 is enclosed. Please return the original to:

Louis E. Gitomer
Of Counsel
Ball Janik LLP
Suite 225
1455 F Street, N.W.
Washington, DC 20005

A short summary of the document to appear in the index follows: a Memorandum of Lease Agreement between LaSalle National Leasing Corporation, 502 Washington Avenue, Towson, MD 21204, and Camus Prairie RailNet, Inc., 2350 Airport Freeway, Suite 230, Bedford, TX 76022, covering two B-23-7 locomotives numbered CSP 3 and 4 (formerly numbered LRCX 4020 and 3971, respectively).

Very Truly Yours,

A handwritten signature in black ink, appearing to read "L. Gitomer", is written over the typed name. The signature is fluid and cursive, with a large loop at the end.

Louis E. Gitomer

Enclosures

RECORDATION NO. 21485 FILED

JUN 29 '98

2-45 PM

MEMORANDUM OF LEASE AGREEMENT

dated as of June 26, 1998

between

CAMAS PRAIRIE RAILNET, INC.
as Lessee,

and

LASALLE NATIONAL LEASING CORPORATION
as Lessor

FILED WITH THE SURFACE TRANSPORTATION BOARD
PURSUANT TO 49 U.S.C. § 11301

on _____, 1998 at ____:____.m.

MEMORANDUM OF LEASE AGREEMENT

THIS MEMORANDUM OF LEASE AGREEMENT is made and entered into as of June 26, 1998, by and between LASALLE NATIONAL LEASING CORPORATION ("Lessor"), and CAMAS PRAIRIE RAILNET, INC. ("Lessee"), with reference to the following:

1. Lessor has agreed to purchase and lease to Lessee, and Lessee has agreed to lease from Lessor, (a) one (1) General Electric model B23-7 Locomotive bearing reporting mark CSP 3 (formerly LRCX 4020); (b) one (1) General Electric model B23-7 Locomotive bearing reporting mark CSP 4 (formerly LRCX 3971).

All of such locomotives are more fully described in that certain Equipment Lease Agreement dated as of April 30, 1998, and Equipment Schedule No. 2 thereto, incorporating the terms thereof and dated as of June 26 1998 (together with all of the riders, schedules and other attachments thereto, collectively, the "Lease"), each between Lessor and Lessee.

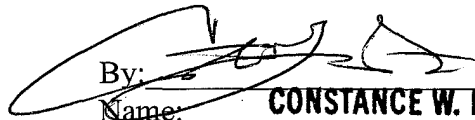
2. The Lease shall be effective as of the date hereof and shall be subject to the term specified in the Lease, and any extension of such term to the extent provided for in the Lease.

This Memorandum of Lease Agreement may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one Memorandum of Lease Agreement.

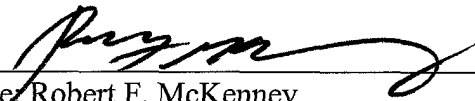
[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum of Lease Agreement to be executed as of the date first above written.

LASALLE NATIONAL LEASING CORPORATION

By: 
Name: **CONSTANCE W. LANCASTER**
Title: **VICE PRESIDENT**

Camas Prairie
 RAILNET, Inc. 

By: 
Name: Robert F. McKenney
Title: Chairman and Chief Executive Officer

STATE OF MARYLAND)
) ss.
COUNTY OF Baltimore)

On this 26th day of June, 1998 before me appeared Constance W. Lancaster, the person who signed this instrument, who acknowledged that (s)he is the Vice President of LASALLE NATIONAL LEASING CORPORATION and that, being duly authorized, (s)he signed such instrument as a free act on behalf of said corporation.

[Seal] **REGINA M. MCMANUS**
NOTARY PUBLIC
BALTIMORE COUNTY

Regina M. McManus
Notary Public

My commission expires:

October 29, 2000

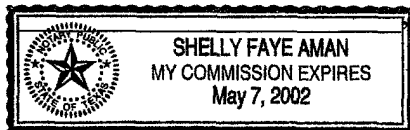
STATE OF Texas)
) ss.
COUNTY OF Tarrant)

On this 25 day of June, 1998 before me appeared Robert F. McKenney, the person who signed this instrument, who acknowledged that the is the Chairman and Chief Executive Officer of CAMAS PRAIRIE RAILNET, INC. and that, being duly authorized, he signed such instrument as a free act on behalf of said corporation.

[Seal]

Shelly Faye Aman
Notary Public

My commission expires:



LASALLE NATIONAL LEASING CORPORATION

SCHEDULE OF EQUIPMENT

Lessee: CAMAS PRAIRIE RAILNET, INC.

Approved By: 
(Lessee to initial each page)

Attached to Bill of Sale dated

19

and/or

Equipment located at:

325 Mill Road

Street No.

Equipment Schedule No.

2

Lewiston

City

Nez Perce

County

ID

State

83501

Zip

Manufacturer and/or
Vendor Name & Invoice No.

Description

Livingston Rebuild Credit

1

- Model B23-7 locomotive bearing reporting mark
CSP3 (formerly known as LRCX 4020)

Invoice No.: 4080

Invoice No.: 4082

1

- Model B23-7 locomotive bearing reporting mark
CSP4 (formerly known as LRCX 3971)